



LINDABURY

McCORMICK, ESTABROOK & COOPER, P.C.

Attorneys at Law

EdLawAlert

By the EdLaw Group at Lindabury

February 1, 2008

SPECIAL

The EDUCATION LAW GROUP at Lindabury has extensive experience in the area of school law. We serve as general counsel, special education counsel, and labor counsel for boards of education throughout the State.

ANTHONY P. SCIARRILLO
ATHINA LEKAS CORNELL
JEFFREY R. MERLINO
ISABEL MACHADO
DENNIS MCKEEVER
LISA M. GINGELESKIE
JENNIFER A. OSBORNE
PEARL ANN E. HENDRIX
SERGIO D. SIMOES

edlawgroup@lindabury.com

Westfield Office

P. O. Box 2369
53 Cardinal Drive
Westfield, NJ 07091
(TEL) 908-233-6800
(FAX) 908-518-2967

Summit Office

480 Morris Avenue
Summit, NJ 07901
(TEL) 908-273-1212
(FAX) 908-273-8922

Rumson Office

20 Bingham Avenue
Rumson, NJ 07760
(TEL) 732-741-7777
(FAX) 732-758-1879

www.lindabury.com

New Regulations Tighten Controls on Travel and Other Reimbursements

By Jennifer A. Osborne

On November 21, 2007, effective immediately, the State of New Jersey, Department of the Treasury published Circular 08-13-OMB. This document supersedes 06-02-OMB, a document that was previously read in conjunction with certain sections of A5, the State Accountability Bill. Although 08-13-OMB does not supersede A5, portions of A5, containing general references to current Department of the Treasury guidelines, are directly affected as a result of this circular.

Generally, the new Treasury guidelines affect A5 in the following areas: out-of-state travel, reimbursement authorizations for certifications, IT-related travel, agency-sponsored events, Governor's Office approval procedures, and a blanket prohibition on overnight travel and meal allowances if travel is within the State.

Effects on Travel within the State

N.J.S.A. 18A:11-12, more commonly known as the travel section of A5 provides, in relevant part, that "a board of education shall provide in its policy that overnight travel *is eligible for a subsistence payment or reimbursement as authorized in Department of the Treasury guidelines...*" (Emphasis added). 08-13-OMB currently prohibits reimbursement for overnight travel within the State of New Jersey, as well as subsistence reimbursements for in-state travel. As a result of A5's inclusive language regarding the Department of the Treasury Guidelines, this 08-13-OMB provision directly affects A5 by prohibiting reimbursement for overnight travel and subsistence reimbursements within New Jersey.

Various state education-related agencies question whether the legislature intended a complete prohibition of reimbursement for in-state travel. Therefore, many agencies are lobbying the Department of Education in order to receive guidance on this matter. However, unless and until the Department of Education issues a clarifying statement, a strict reading of 08-13-OMB requires boards of education to deny subsistence and general overnight reimbursement requests for in-state travel.

(cont'd ►)

Transportation by Personal Vehicle

08-13-OMB requires that the first means of ground transportation must be state-owned vehicles. Personal vehicles may be used for official business only if a state-owned vehicle is not available on designated travel days. Accordingly, mileage reimbursement for the use of a personal vehicle is not permitted when a state-owned vehicle is available.

IT-Related Travel

08-13-OMB requires that prior to submitting a travel request to OMB and/or the Governor's Office, pre-approval by the State Chief Technology Officer for IT-related training and travel, must be obtained for certain IT-related travel. The circular provides a complete list of the IT-related areas that require pre-approval.

Agency Sponsored Events

Pursuant to the new circular, agencies must now determine if Governor's Office approval is required for out-of-state travel. 08-13-OMB contains a list of approval exceptions. In other words, if one of the listed travel/event activities is not excepted, then Governor's Office approval must be obtained prior to travel. Some general exceptions include: federally mandated events; federally funded events; third-party funded events; training required for certification or licensing; non-discretionary

travel; travel to obtain federal funding; and local same day travel to metropolitan areas.

Governor's Office Approval Procedures

If it is determined that an activity is not excepted and Governor's Office approval is required, certain documentation must be submitted to the Governor's Office via facsimile at least 15 days prior to the event date. The required documentation includes, but is not limited to, the following:

1. completed travel exception form;
2. copy of agenda or itinerary for travel and subsequent schedule of events;
3. estimated costs associated with the travel;
4. justification of the importance for individuals to attend the event; and
5. signature and title of the individual who approved the travel, including that individual's telephone and fax numbers.

As noted, 08-13-OMB is presently effective and while it does not supersede A5, it directly impacts the aforementioned areas of the bill.



The information provided here is necessarily general and is not intended as legal advice or a substitute for legal advice. If you have any questions regarding this Alert, please contact Anthony P. Sciarillo of the EdLaw Group at edlawgroup@lindabury.com.

